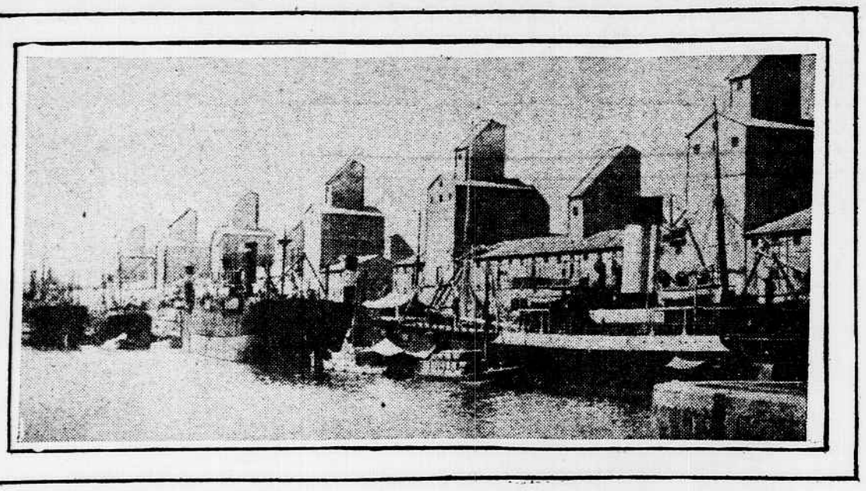
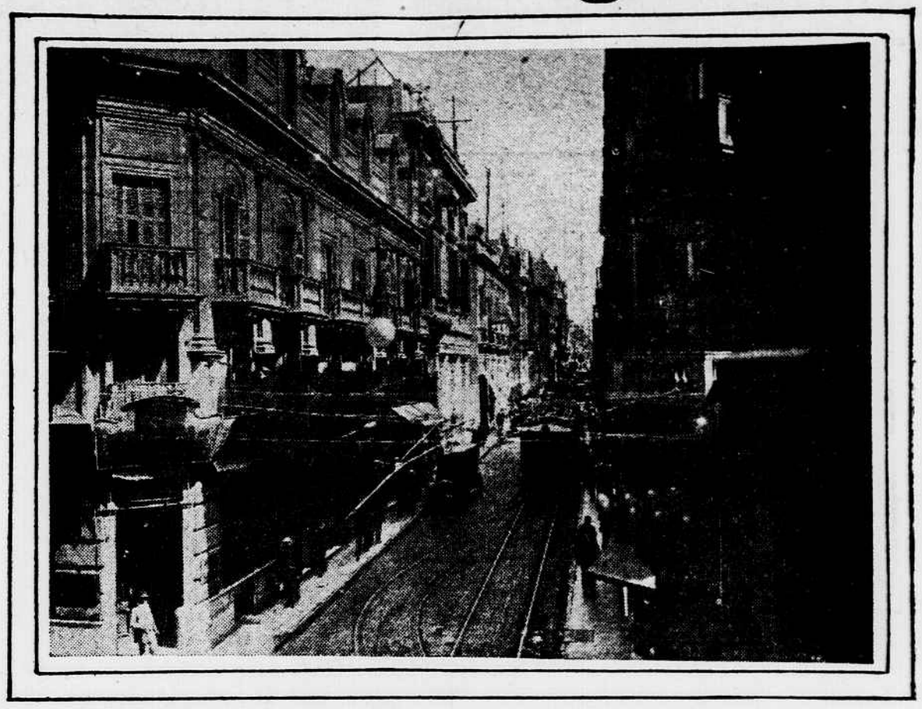
Sidelights on American Trade Conditions in Argentina



ELEVATORS AT BUENOS AIRES, WHERE ARGENTINE WHEAT IS STORED AND SHIPPED.

UNLOADING "Seconds" in Silk Goods on the Argentine Market—A Mistake Which Will Weigh Heavily in the Balance. Wealthy Argentines Are Lavish Spenders. Paris, Not New York, Is the Shopping Mecca of Latin Americans—Direct Steamship Lines From New York to South America Are Needed—The European War and Yankee Trade—Our Automobile Trade Is Flourishing—Trade Balance Now Against the United States—American Coal Making a Reputation in the Argentine.

ARGENTINE WEALTH: FAT CATTLE FROM THE RANGE COMING IN TO THE ABATTOIRS.



A BUENOS AIRES SHOPPING STREET WHERE MILLIONS ARE SPENT FOR LUXURIES.

BY ROBERT F. WILSON.

THE American colony in Buenos Aires, Argentine, is variously estimated to number from 500 to 5,000 persons. Nearly all of the men are employed in some executive capacity either in the agencies of American firms in Argentine or in local industries, such as the packing houses, which are largely financed with American capital. These men for the most part have their wives and families with them, and their woman folk are retail buyers of more than average American intelligence.

Shortly after the outbreak of the war in Europe a large department store of Buenos Aires advertised the sale of its first importations of American silk garments for women. The American women there were naturally delighted to be given the opportunity to buy a home product. At home, no doubt, they might have preferred the European-made article because it is the style to do so, but in Argentine, where in some cases for years they had been compelled to buy French goods, they welcomed the change and were on hand early at the sale.

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It did not take the retail store long to dispose of its first importation of American silk garments for women, but it will be a considerable length of time before that particular store, which is careful of its reputation, will order another consignment. The goods proved to be defective, seconds, although the Argentine retailer in good faith sold them as first quality at a price about double what they would bring at retail in the United States.

The American women were disgusted with their purchases. One may imagine the feeling of Argentine women, who had no predisposition of birth to forgive the fraud practiced upon them. One American woman who bought some of these garments told me that any American store that would sell her such goods at a first-class price would lose her trade forever.

The situation, of course, was this: The war cut off French and English exportation of women's wear just as the new season was opening in Argentina. The Argentine merchants had to supply their customers, and the goods are not produced in their own country. The greater part of this emergency trade was secured by American manufacturers, much of it through American middlemen in Buenos Aires. And some of these manufacturers, who evidently held a contemptuous opinion of Argentines, did not hesitate to unload inferior goods upon them.

Some day these same firms may be forced by shifting economic conditions to seek foreign trade for their business salvation. They will find their task in Argentina doubly hard because of their own fault in the beginning. The greatest error made by these manufacturers was in underestimating the discriminating taste of the Argentine people. Especially in luxuries and semi-luxuries, such as silken wear, Argentina is capable of being developed into one of our greatest foreign markets. In no city on earth is luxury carried further than in Buenos Aires.

The Parisian modiste would rather see the wife of an Argentine wheat or cattle millionaire enter his establishment than two American women of wealth, for the Argentine millionaire is usually quite reckless in the way he scatters his money. Today the United States has no such market for the sale of luxuries, not even in Europe, while Europe has two—North America and South America.

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If the South American woman of wealth could be brought to regard New York as the center of her shopping universe, the beneficial effect on our foreign trade would be well nigh incalculable. It would not only give this country a great foreign business in women's wear, but the benefit would undoubtedly be reflected in other lines. At present the high tariffs of Argentina and several other South American countries imposed upon women's (and men's) ready-made garments effectually shut us out of this trade; yet France can supply much of this trade because French styles are supreme in South America. Let the United States set the styles, and the wealthy classes of South America would have our garments, no matter what tariffs might be imposed upon them.

One need go no farther into Latin America than Cuba to realize that Paris and not New York is the Latin American shopping mecca. Despite the great difference in expense, fully as many Havana woman shoppers visit Paris as make the shorter trip to New York, while from Argentina, Uruguay and Brazil the annual shopping pilgrimage is invariably to France and never to New York. American dressmakers are now engaged in a supreme effort to establish independent American styles and throw off the dictatorship of Paris. Should this effort be successful, then the chances of imposing our styles upon South America will be greatly improved.

A great factor in this possible change would be direct lines of American steamships between New York and South America. If such lines are ever established by subsidies or government direction, the great textile industry of the United States should see to it that at certain seasons of the year, at least, passenger rates will be so reduced as to divert South American travel to New York.

Once South American women begin visiting the shops of American cities the ideals of their nations will speedily change and the standards will become American. From that moment European traders in South America will be on the defensive.

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The commercial traveler in South America, once he has concluded his study of the Argentine and Uruguay is prone to generalize, although American manufacturers have already been fed too many generalities on the South American trade subject, and too few particulars. But one of the first criticisms of Yankee trade in these two countries is this matter of substitutions, this taking advantage of the stoppage of European exports to work off inferior goods on the Latins.

I have the assurance of Dr. Albert Hale, formerly with the Pan-American Union in Washington and now our commercial attache for Argentina Uruguay and Paraguay, that this unfair treatment of South American merchants has not been extensive. In fact, Dr Hale asserts, it has been practiced so seldom that most of the merchants of Buenos Aires and Montevideo who have handled these new stocks are genuinely appreciative of the high-minded refusal of American manufacturers to take advantage of their necessities.

Dr. Hale gives this—the belief that the United States is treating the Argentine Republic honestly—as one of the three prime reasons why the growing American trade movement in these countries is bound to be successful. The second reason he assigns is that the demand for goods formerly supplied by Germany and Belgium will continue even after the conclusion of hostilities in Europe, and American permanent trade will be greatly increased by filling this demand. Thirdly, he says, the interest in American manufactures began just before the war started, and this interest has been greatly stimulated by the honest way in which most of the emergency orders have been filled.

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In contrast with the episode of the second-grade silk goods supplied on an emergency order has been the experience of American automobile tire manufacturers in Argentina. Prior to the outbreak of the war Argentine automobiles were equipped almost exclusively with British, French and German tires. American tires found a hungry market, and only first-class stuff was sent from the United States, European tire shipments being almost completely cut off by the war. The result is that in one short year American automobile tires have built up for themselves a splendid reputation in Argentina, and the same is true in Uruguay and Brazil.

The South American cities, with their miles of smooth pavements, have the automobile habit completely. There are said to be more taxicabs in Buenos Aires than in New York and Chicago combined, and Rio de Janeiro runs Buenos Aires a close second in this respect Thus, in this industry, American manufacturers have seized a great and lucrative trade solely as a result of the war in Europe. Americans will hold this trade.

One can judge the extent of the new market by the fact that one of the largest tire producers of Akron, Ohio, has recently negotiated a very favorable concession with the Brazilian government, and will erect a mammoth tire factory in Rio de Janeiro to supply the South American trade.

The time is past when American manufacturers need to be convinced that there is a market for their goods in Argentina. In like manner the Argentine no longer needs to be convinced of the quality of American goods. For the most part American goods are recognized as standards in Buenos Aires, while German products are regarded as inferior as a rule. British trade marks are the real rivals of American products in Argentina. But the Argentines know the difference between first-class goods and seconds, and they will not be satisfied with the latter.

One curious effect of the great war has been to turn the Argentine trade balance against the United States, in spite of the increased demand for American goods. Strictly speaking, the demand for American goods has increased only in variety and not in quantity, the financial depression being responsible for a heavy curtailment in all Argentine foreign orders. But the meat and grain products that formerly had been shipped directly to Great Britain, Germany and France, have been diverted in large part to American ports, whence, no doubt, they are being transshipped for Europe.

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Prior to the war American imports in Argentina amounted in value to about twice the exports to the United States. In the first three months of this year the Argentine figures show American imports valued at $7,509,189, or about half the normal importation for that period. Exports to the United States, on the other hand, were $23,777,183, which is not far short of the normal annual exportation of Argentina to the United States, being approximately three times the usual exportation for that period.

Exportation to the United States for the whole year, if continued at the rate shown up to April, will, therefore, be close to $100,000,000. In the past Great Britain is the only country which has taken so much of the Argentine products. Before the war American importations from Argentina consisted almost solely of hides, horsehair, wool and tanning extract from the quebracho tree.

Because of this great balance of trade against us in Argentina American trading houses in Buenos Aires feared that the exchange rates would soar, but this has not been the case. The American bank in Buenos Aires has kept the exchange rate down to 1 per cent, although in the past other foreign banks had given their customers a one-half per cent rate.

Without an American bank, however, the United States would have had to pay dearly for its Argentine imports, and American goods might have been shut out of the Argentine market altogether, since the foreign banks certainly would have allowed American exchange to rise to new heights. It was only another case where having an American bank in a foreign market did American traders a great deal of benefit, and it illustrates the need of having our own banks in all foreign countries where our trade is considerable.

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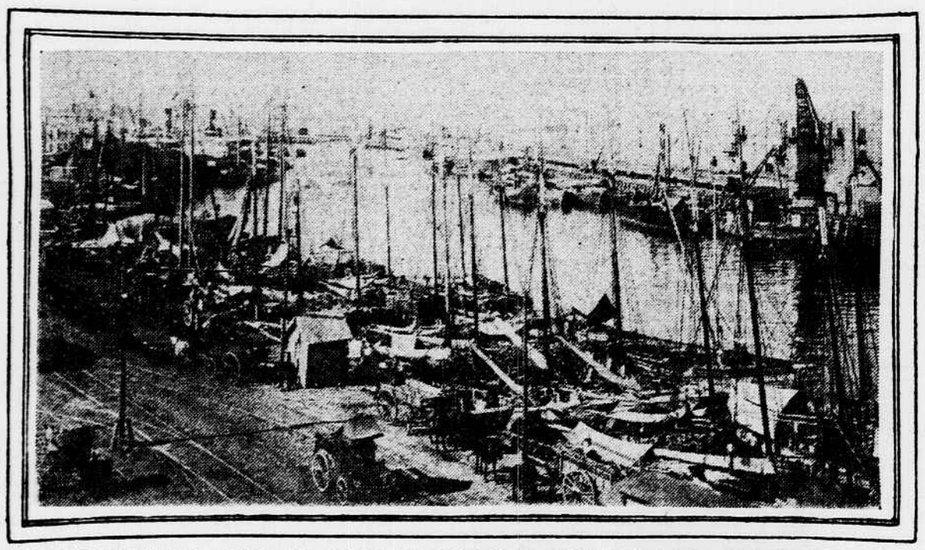
The war has served to introduce American coal to Argentina, and it may have laid the foundation for a permanent trade in this commodity. The American coal imports during the fall of 1914 amounted to 15,976 tons, against 602,032 tons of Cardiff, Wales, coal for the entire year of 1914. Coal at Newport News, Va., costs an average of $2.25 a ton; delivered in Argentina this year the price has averaged $14.75 gold a ton. This huge profit has tempted some speculation in American coal, and a number of American schooners brought cargoes to Buenos Aires.

The normal price of coal in Argentina is about $8.50 or $9 gold per ton. Coal at the American seaboard is cheaper than coal at Cardiff, but the British freight differential imposed against American shippers has given Cardiff coal a practical monopoly in Argentina.

For the first time an intelligent effort is being made to introduce West Virginia coal not only in Argentina, but in Brazil as well. Heretofore our coal-selling attempts have been at long range, usually by correspondence. Because all coal is imported at an expensive price, South American standards have been maintained at a high point, and the average South American has not cared to experiment with coal which he could not see and test before buying.

The British have had the advantage of their methods, which consist in maintaining stores of coal in the principal South American cities and selling it directly to the buyers. Those who are now speculating with American coal are bringing it down without advance orders and selling it from the ships.

As a result the coal is making a reputation that may win for it a permanent trade, despite the probability that it may be sold at a price slightly higher than that charged for the British product.



A HEAVY COMMERCE IN WHEAT AND IMPORTS IS HANDLED IN THESE SCHOONERS ON ARGENTINE RIVERS.

AN ARGENTINE SLAUGHTER HOUSE, WHERE CATTLE BECOME EXPORT BEEF PRODUCTS.

Relations of Sun, Moon and Earth Studied for Centuries by Scientists

THE relations of the sun, the moon and the earth—interesting little trifles—came into the conversation of some men prominent in the affairs of Washington, and quite positive differences arose as to the reasons for the moon's phases, the cause of the tides, the visibility of the whole of the moon's surface, the habitability of the moon and a few other things that seemed very simple.

One of the men insisted that the waning of the moon was caused by the partial interposition of the earth between the moon and the sun, thus cutting off most of the light from the surface of the moon; that the illumined rim constituted the crescent, and that a slight change each day increased or lessened the illumined portion of the moon, as it and the sun continued in nearly parallel motion about the sun.

"That," said No. 2, "is absurd, for every one knows that the movement of the moon is such that it passes completely around the earth every twenty-four hours, and that it does not run parallel with the earth. One can see the full moon rise in the east and pass across the sky to the west."

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No. 3 maintained that neither was right, saying that all depended upon whether the side of the moon which gave the light was turned toward the earth, and that was why the tides at full moon were highest. The last statement was disputed, and the discussion became rather warm and unsatisfactory.

The result was an appeal to one of their scientific friends for a solution.

The latter rather shortly said: "All three of them are wrong. But I am gratified that laymen are interested in the subject. Most men seem to care very little about this interesting natural phenomenon. They take it for granted that a stone thrown into the air will return to the earth, without a thought of gravitation or its laws. They form no comprehension of the size of the sun. They can make no distinction between one million and ninety-three million—whether miles or peanuts. Their imaginations form no picture of a great sun, small itself when compared with greater solar bodies, rotating on its axis unsupported, and of a little earth running through space, carrying with it an atmosphere and with no visible or tangible support, yet making its annual circuit around the sun within the smallest fraction of a second of its prescribed time. As it goes, the inanimate moon—a dead world without an atmosphere—accompanies it in an eccentric course, every inch of which may be predetermined.

"To realize the truth a few very simple figures are necessary:

"The distance from the center of the earth to the center of the sun is 93,000,000 miles; from the earth to the moon 239,000 miles. The diameter of the sun is 866,000 miles, of the earth 7,900 miles and of the moon 2,160 miles.

"Thus, if the earth, taking along with it the moon at its regular distance from the earth, were placed at the center of the sun, the moon could revolve about it in any direction within the surface of the sun, and, keeping at the end of its invisible string, never get nearer than 195,000 miles of the surface of the sun.

"In other words, a person at the center of the sun intending to travel to the earth would have to go as far as from here to the moon and then four times around the earth before reaching the surface of the sun, when he would have gone 400,000 miles. After he had traveled two and a half times that distance he would have completed his first million miles and then would have to travel that distance ninety-two times more before stepping upon terra firma.

"If a man could travel around the earth in one hour, it would take him, at that rate, nearly nine and a half hours to reach the moon and more than five months to reach the sun. If a circle twenty-four inches in diameter represents the sun, a dot one-thirtieth of an inch would represent the earth, and a speck one one-hundred-and-thirtieth of an inch the moon.

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These facts have been mentioned to excite the imagination into a conception of the relative sizes of the sun, the earth and the moon.

The sun is the source of heat and light, and is called the center of the solar system. It revolves on its polar axis once in twenty-five days seven and three-quarter hours. Whatever heat and light the earth, which revolves on its polar axis in twenty-four hours, has or may give out is derived from the sun. The moon, which revolves on its polar axis once a month, is presumably dead or dying, and, at least on the side toward the earth, is almost inconceivably cold, except when in the sunshine. It has no atmosphere, or one of less density than can be created on the earth.

The first movement, common to the three bodies, is a rush through space, where there is no atmosphere, at the rate of twelve miles a second, in the direction of the star Vigo. As all are falling, or ascending or going—call it what you will—in the same direction at the same rate, as to one another this motion is disregarded.

The attraction of gravitation—the pull of every atom to draw to itself every other atom in the universe—would draw these three masses, the moon, the earth and the sun, together, if it were not for another mysterious force impelling them to keep on in their regular directions. These forces so balance one another that the earth pursues a nearly circular course about the sun as a center, being kept at a nearly constant distance of 93,000,000 miles from it, but always in its own plane, and with its polar axis constant to the pole star. It is the annual revolution of the earth about the sun at this constant inclination which produces the four seasons, spring, summer, fall and winter.

The earth's daily revolution from west to east on its polar axis produces the apparent daily passage of the sun across the heavens and its final setting in the west; it also produces the apparent nightly passage of the moon, although some slight part of that is the moon's own motion with regard to the earth.

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As the earth moves in its great annual path around the sun the moon goes with it, but its course is not constant, although its variances are regular.

Considering the annual course of the earth as the circumference of a circle, that of the moon may be said to nearly follow it in a series of curves, with shifting centers, always concave to the sun. The forward movement of the moon is not at a constant rate, for sometimes, although always remaining at the same distance from the earth as if fastened by an invisible bar, it is behind it, sometimes ahead of it, sometimes on the side away from the sun and sometimes between the earth and the sun. The plane in which it revolves is not that of the earth, but very slowly shifts up and down.

This course may perhaps be made clearer by assuming that two ships, M and E, are sailing a distance of 400 miles; that they start evenly, with M on the port side and held away from E a mile's distance by an invisible intangible bar. If the larger ship (E) holds a striaght course for 100 miles, while the smaller one (M) loses at the rate of one mile in the same time, at that point M will have been gradually drawn to a point directly aft of E, and, of course, one mile distant. If, while sailing the next 100 miles, E regains the lost mile, at the end of that period the ships will again be abeam, but with M on the starboard side. If they continue another hundred miles, with M gaining another mile, M will be a mile ahead of E, but if they continue another 100 miles, with M being pushed to port, the ships will again be in the same relative positions as when the voyage began and M will have sailed around E. M will have sailed but little further than E and her deviation of her course from a straight line will hardly be perceptible, being only one mile in a hundred. If the straight course of the ship E should be converted into a curve about like that of the ship M it would nearly follow the line of the curve made by the center of the earth around the sun.

The moon completes exactly thirteen circles, corresponding to the lunar months, in the year which it takes the earth to go around the sun.

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If a powerful light be thrown upon a globe it will look to the beholder like a flat disk, and if it be in a vacuum, the edges of the lighted space will be as sharply defined as if the illumined space had been painted a "brilliant" white. To the beholder at the point of the emanation of the light the illumined globe will look like a circular disk. If he walks a quarter way around it he will see half of the illumined disk, but the other half of the hemisphere being in darkness cannot be seen. From a point half way around he will see part of the illumined disk, and when he finishes the circuit all the illumined disk will again be visible.

When the moon is on the side of the earth nearest to the sun the observer from the earth sees only one edge of the moon, or the crescent. A week later, when the moon has fallen behind the sun, he sees half of the illumined surface of the moon, now beginning its second quarter. In another week the moon reaches the point farthest away from the sun and the man on earth sees the whole of the illumined disk—the full moon.

In the next week the moon, now in its third quarter but waning, is ahead of the earth, crossing the line of its direction; and in the fourth week it again reaches the point nearly between the earth and the sun, where it emerges as the crescent moon of a new lunar month.

The rotation of the moon on its polar axis coincides with the lunar month; it therefore presents constant the same side to the earth. When the ship M changed from the port side to the starboard side of ship E the crew would have seen both port and starboard sides of the ship E, for it would not have turned on its axis; but, as the moon sails around the earth, it is slowly turning on its axis, so that the same face is always presented to the earth. It is not, however, strictly accurate to say that one sees only one-half of the moon, for, owing to changes in the plane of the moon and other lateral movements, one is able to observe nearly six-tenths of the entire surface.

An eclipse takes place when the sun, the earth and the moon are in the same line. If the earth is in the center it cuts off the light from the moon, and, as the latter has no atmosphere to diffuse light, the circular shadow of the earth can be clearly seen passing over the illumined face of the moon. If the moon is nearer the sun its opaque body is clearly defined against the sun. If the moon revolved in the plane of the earth and the sun there would be two eclipses each month—at new moon and full moon. But the plane of the moon is constantly but slowly changing up and down, so that sometimes it is above and sometimes below that of the earth, and thus the position for an eclipse is reached only about twice a year.

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Near the time of the new moon the whole disk is dimly but plainly visible, and this for some time was not understood. To an observer on the moon the earth would look like a disk ten times as large as the moon appears. The enormous water surfaces are excellent reflectors, and, although the earth's atmosphere is an interference, it has been calculated that the earth appears about ten times as bright, reflecting about ten times as much sunlight as the moon does. This "earthlight" is reflected upon the moon, making the entire disk dimly visible. It is manifest that when one sees the "new" moon the man in the moon would see the "full" earth, and that as the moon waxes the earth wanes and the contrary, so that except under rare conditions one does not see the full disk when the full moon is approaching.

No thorough understanding of the tides can be gained without a comprehensive knowledge of the laws of gravitation. The causes of gravitation are, like the causes of life and the origin of matter, incomprehensible, but, as said before, gravitation is the strain of every atom to draw to itself every other atom. The total pull depends upon the mass and its strength upon the distance of the mass upon which it is exerted.

The average interval between alternating high tides at any point is twenty-four hours and fifty-one minutes, the precise interval between two successive passages of the moon across the same point. As this phenomenon follows the moon regularly in its daily course around the world, it seems reasonably certain that there is a connection between the moon and the tides, but until the laws of gravitation were demonstrated the explanation was not clear.

There is a difference between the pull of the moon upon the particles of the rigid sphere of the earth and its pull upon the particles composing waters on its surface. The effect is the same as a decrease in the weight of waters where the pull is the strongest—i. e., the point on the surface nearest to the moon and the consequent rising of the water along that meridian.

There is also formed a high tide on the opposite side of the globe through the pull of gravitation upon the earth away from the water in such way as to leave the highest line of the water along the medidian directly opposite the moon. The lowest tides are then at points opposite each other and midway between the two high tidal points.

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But recall that the earth is in rotation and that consequently the high tides will roll on from east to west, so that, in theory at least, in about twelve and a half hours the points of high tide will have exchanged places. New factors in the varying depths of water, irregular shores and the like will enter into the problem, producing many variations from this law.

The sun, meanwhile, is exerting its pull upon the waters. In spite of its great volume, its low density and great distance from the water render its attractive force upon the waters less than that of the moon. At the time of the new moon, or of full moon, when sun and moon pull together, the tides are highest; but when the sun is at right angles to the line of the moon we have the lowest, or neap tides.

The mean density of the earth is rather more than five and a half times that of water; that of the sun is about a quarter of that of the earth, or a little more than that of water, and that of the moon is about three-fifths of the earth's.

The attraction which these three bodies have for an object on their surface varies. A body weighing 200 pounds on the face of the earth would weigh nearly three tons on the face of the larger sun and but thirty-four pounds on the face of the smaller moon.

The sun has a dense atmosphere, quite different from our own. The earth's atmosphere, composed chiefly of nitrogen and oxygen, has a pressure of about fifteen pounds an inch at sea level. This atmosphere keeps the earth from cooling by radiation and tempers the heat of the sun's rays as they strike the earth. The moon has no atmosphere, or at most only a trace.

The air and the dust in our atmosphere produce the diffusion of light. Without it, where the sunlight fell there would be white light; where there was no sunlight there would be black darkness. Without this atmosphere there would be neither animal nor vegetable life.

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The temperature of the sun is almost incomparable. It has been estimated to be 12,000 degrees Fahrenheit, but undoubtedly varies considerably. The surface is more or less constantly throwing off great flames, which sometimes reach farther than from here to the moon. The temperature of the earth at the surface is seldom above 120 degrees or below 60 degrees Fahrenheit.

There is no way of knowing whether there is animal life on the sun or the moon, but it cannot be in any form known on this earth.

The difficulty of grasping the various movements of these bodies is that time is so necessary to the observation of the courses, and it is hard to take in the movements through space of these celestial bodies from mere diagrams on paper, but much is learned by the wise and patient men who are observing them. It is largely through astronomical investigation that the size and weight of the earth are ascertained, and recent experiments have found a method by means of studying the sun to ascertain the weight of the invisible intangible molecule on earth.

GENERAL VIEW OF THE MOON, AGED SIX DAYS. PHOTO TAKEN BY S. W. BURNHAM, LICK OBSERVATORY.

The Bungler.

"BUNGLING diplomacy," said a noted feminist in Los Angeles, "is largely responsible for this cruel war. Nations deliver themselves into the hands of diplomats who are often incapable of such delicate work. The result is disaster.

"Diplomatic talent is a gift," she continued, "and therefore a man who receives a responsible diplomatic post solely because for thirty years he has successfully manufactured household articles and accumulated a big fortune is apt to prove as much of a bungler as the Chicago heiress' husband.

"'We have been married twelve years,' this heiress said, sentimentally, to her husband, 'and not once have I missed baking you with my own hands a birthday cake, have I, dear?'

"'No, my darling,' the husband answered, tenderly. "No, my darling Hildegarde, and I look back on those cakes as milestones in my life.'"